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July 25, 2008

VIA ELECTRONIC FILING & HAND DELIVERY

The Honorable Vincent J. Poppiti
Blank Rome LLP
Chase Manhattan Centre, Suite 800
1201 North Market Street
Wilmington, DE 19801

Re: Honeywell International, Inc. et al. v. Apple Computer, Inc., et al.,
C.A. No. 04-1338-JJF (Consolidated)

Dear Judge Poppiti:

On behalf of the Nikon Defendants, I write in response to Mr. Grimm's July 18, 2008 letter to Your Honor concerning the stipulated dismissal of the Nikon Defendants from this litigation because the accused Nikon camera's contain licensed LCD modules.

Presently, Nikon is still awaiting a response from Honeywell to the offer made on behalf of Nikon at the July 15th "global" meet and confer, which offer is extremely close to what Honeywell is requesting from all of the Affected Defendants. However, not to be lost in the wash of the all-Affected-Defendants generalities in Mr. Grimm's July 18th letter to Your Honor, Nikon would like to point out the following:

1. As noted above, Nikon has offered to do, for all practical purposes, what Honeywell has requested. This is graphically illustrated in Exhibit B of the July 18th letter showing that Nikon is the "greenest of the green" of the Affected Defendants. Nikon has made this offer regardless of the burden of proof issue addressed by Honeywell in its July 18th letter, but does so without agreeing to Honeywell's position. Nikon understands that other Affected Defendants will be briefing the burden of proof issue today for Your Honor.

2. Regarding the "additional 'hits'" matter raised in the second paragraph on page 3 of the July 18th letter, there is no issue between Honeywell and Nikon apparently. Honeywell has not identified any such "hits" or "instances of infringement" with respect to any Nikon products.

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3. In the first paragraph under Section 3 on page 4 of the July 18th letter, Honeywell refers to “the activities of *particular* Affected Defendants” (emphasis in original) regarding provisions in certain of the license agreements requiring some linkage between rights granted under the licenses and activities of certain Affected Defendants. Honeywell has not raised any issue with respect to Nikon and the license agreements covering the LCD modules used in the Nikon accused products, and it is Nikon’s understanding and belief that there are no such provisions in the two license agreements.

4. In the last paragraph on page 5 of the July 18th letter, Honeywell writes that “the Affected Defendants need to initiate a discussion with the licensees and obtain their commitment to work with Honeywell on the necessary declaration.” While maintaining that Honeywell is in a better position to obtain the declarations from the two licensed LCD suppliers, Nikon has already contacted those LCD suppliers seeking such a commitment and is awaiting confirmation of the suppliers’ commitments.

5. Also in the last paragraph on page 5 of the July 18th letter, Honeywell states that “the Affected Defendants...ostensibly have a customer/supplier relationship with the licensees.” However, the two accused Nikon cameras are manufactured by Sanyo and it is Sanyo who obtains the LCD modules for incorporation into the Sanyo-manufactured Nikon cameras. Thus, the “customer/supplier relationship” is between Sanyo and its licensed suppliers (one being itself and the other being Casio) and not between Casio or Sanyo and Nikon with respect to the licensed LCD modules.

As stated in Nikon’s July 18th letter to Your Honor, Nikon looks forward to hearing from Honeywell on the offer made on July 15th and to the prompt stipulated dismissal of the Nikon Defendants from this litigation.

Respectfully,

/s/ David E. Moore

David E. Moore

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cc: Clerk of the Court (via hand delivery)
All Counsel of Record (via electronic mail)